

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA**

AMERANTH, INC.,

Plaintiff,

vs.

PIZZA HUT, INC.; PIZZA HUT OF
AMERICA, INC.; DOMINO'S PIZZA, LLC;
DOMINO'S PIZZA, INC.; PAPA JOHN'S
USA, INC.; OPENTABLE, INC.;
GRUBHUB, INC.; TICKETMOB, LLC;
EXIT 41, LLC; QUIKORDER, INC.;
SEAMLESS NORTH AMERICA, LLC; O-
WEB TECHNOLOGIES LTD,

Defendants.

CASE NO. 11-CV-1810 JLS (NLS)

**ORDER: DENYING DEFENSE
COUNSEL'S MOTION TO
WITHDRAW**

(ECF No. 138)

On January 27, 2012, Daniel A. Lawton, counsel for Defendant Exit41, Inc., filed a motion to withdraw as counsel of record (ECF No. 138), to which no party has objected. Mr. Lawton provided his client a copy of this motion, and declares that his client consents to his withdrawal. (Lawton Decl. ¶ 4, ECF No. 138-2.) Mr. Lawton does not articulate his reasons for withdrawal, merely stating that several bases listed in California Rule of Court 3-700 exist here. (*Id.* at ¶ 2.)

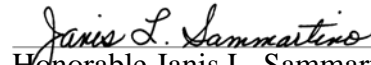
Mr. Lawton is the sole attorney of record for Defendant Exit41. As a corporation, Exit41 may participate in this action only through an attorney. *Rowland v. California Men's Colony*, 506 U.S. 195, 201-02 (1993) ("It has been the law for the better part of two centuries . . . that a corporation may appear in the federal courts only through licensed counsel.") Further, Defendant

will retain all the obligations of a litigant even if not represented by counsel, and its failure to appoint an attorney may lead to adverse results, such as the entry of default against it.¹ Thus, the Court declines to grant Mr. Lawton's request for leave to withdraw without ensuring Defendant Exit41 has as an opportunity to obtain substitute counsel, as well as notice that failure to take action may result in serious legal consequences. *See* 7A C.J.S. *Attorney & Client* § 269 (2011); *Urethane Foam Experts, Inc. v. Latimer*, 31 Cal. App. 4th 763, 406 (1995) (finding the trial court erred in allowing counsel of record to withdraw without advising corporate defendant of the consequences of failure to obtain new counsel).

Accordingly, Mr. Lawton's motion is **DENIED** at this time. He may renew the motion after serving a copy of this Order on his client, Defendant Exit41, and filing proof of such service with the Court, along with a declaration explaining what action Defendant Exit41 has taken in securing counsel and proceeding in its defense in this case.

IT IS SO ORDERED.

DATED: April 19, 2012


 Honorable Janis L. Sammartino
 United States District Judge

¹ *See, e.g., Consol. Cigar Corp. v. Monte Cristi de Tabacos*, 58 F. Supp. 2d 188, 191 (S.D.N.Y. 1999) (granting default judgment against defendant corporation after the corporation had failed to retain new counsel when previous counsel was permitted to withdraw); *R. Maganlal & Co. v. M.G. Chem. Co., Inc.*, 1996 WL 420234, at *3 (S.D.N.Y. July 25, 1996) (granting attorney's request to withdraw and notifying defendant corporation that "failure to retain new counsel may result in the entry of a default"); *Dianese, Inc. v. Pennsylvania*, 2002 WL 1340316, at *2 (E.D. Pa. June 19, 2002) (permitting withdrawal even though plaintiff corporation would go unrepresented, and still refusing to allow corporation to appear without counsel); *Grass Lake All Seasons Resort, Inc. v. United States*, 2005 WL 3447869, at *2 (E.D. Mich. Dec. 15, 2005) (discussing how the Court had previously granted counsel for plaintiff corporation's request to withdraw without first requiring substitute counsel); *Carrico v. Village of Sugar Mountain*, 114 F. Supp. 2d 422, 424 (W.D.N.C. 2000) (dismissing corporate plaintiff's claims after, in a previous ruling allowing plaintiff's counsel to withdraw); *Fed. Ins. Co. v. Yusen Air & Sea Servs.*, 2001 WL 498412, at *3 (S.D.N.Y. May 9, 2001) (permitting withdrawal even though no substitute counsel had been retained).